

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

SECURITIES AND EXCHANGE COMMISSION,)	
)	
Plaintiff,)	
)	
v.)	Case No. 1:14-civ-11858-NMG
)	
TELEXFREE, INC.,)	
et al.,)	
)	
Defendants,)	
)	
and)	
)	
TELEXFREE FINANCIAL, INC.,)	
et al.,)	
)	
Relief Defendants.)	
)	

Status Report

At the direction of the Court during the October 16, 2015 hearing, Plaintiff Securities and Exchange Commission (“the Commission” or “SEC”) and Defendant Sanderley Rodrigues de Vasconcelos (“Rodrigues”) have had several telephonic conferences to determine whether the issues raised by the Commission’s Motion for Contempt could be resolved without action by this Court. After those communications, the parties have not resolved the issue of the return of funds reflecting dissipation of assets by Rodrigues in violation of this Court’s Asset Freeze order.

The Commission has also taken other steps to obtain the information required by the court-ordered accounting without causing defendant Rodrigues to waive his right against self-incrimination under the Fifth Amendment. As a result of these other steps to obtain information, the Commission received almost all information required by the court-ordered accounting. The only information not proved were transfers related to TelexFree obtained through international accounts. Although, the Commission still contends that Rodrigues waived his rights against self-

incrimination by consenting to the court-ordered accounting, the Commission no longer needs this Court to order that Rodriguez provide the previously ordered court-ordered accounting. However, because Rodriguez has failed to return funds equal to his prior dissipation of assets, the Commission respectfully requests that this Court take action on that part of its motion for contempt.

Respectfully submitted,

/s/ Deena R. Bernstein

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Certificate of Service

I, Deena R. Bernstein, certify that on November 30, 2015, the foregoing was filed electronically with the Court. Notice will be sent by e-mail to counsel of record through the Court's electronic filing system, and the filings may be accessed through the Court's system.

/s/ Deena R. Bernstein

Deena R. Bernstein